WELFARE REFORM RECONCILIATION/Daschle Substitute

SUBJECT:

Personal Responsibility and Work Opportunity Act of 1996... S. 1956. Daschle substitute amendment No. 4897.

ACTION: AMENDMENT REJECTED, 46-53

As reported, S. 1956, the Personal Responsibility and Work Opportunity Act of 1996, will enact major welfare SYNOPSIS: reforms. The Aid to Families with Dependent Children (AFDC) program will be replaced with a new Temporary Assistance for Needy Families (TANF) block grant to the States. The TANF block grant will be capped through 2001. Time limits will be placed on individuals receiving TANF benefits. Overall, the growth in non-Medicaid welfare spending will be slowed to 4.3 percent annually. The bill originally included major Medicaid reforms, but most of those provisions were stricken when the bill was reported. Without those Medicaid reforms, welfare spending will still be reduced by \$61.4 billion over 6 years.

The Daschle substitute amendment would enact the "Work First Act," which would include the following:

- "temporary employment assistance" (cash welfare payments) would be given for no more than 5 years to an adult recipient, though States could exempt up to 20 percent of their welfare caseloads from this requirement; if a parent were denied assistance, a State would be required to give vouchers to provide for the needs of the children of that parent;
- to receive cash welfare, recipients would have to sign "parent empowerment contracts" setting forth the steps that they and the States would take to find them jobs; States would be required to sanction recipients who without good cause violated their contracts; States could not sanction parents with children under the age of 6 who could not find child care for those children; States could determine the sanctions to apply;
- to participate in this program, States would have to have their plans for running the program approved by the Federal Government:
- a new, unfunded mandate would be placed on the States to provide child care as an entitlement to any welfare recipient with a needy child:
 - after receiving welfare for three months, a recipient who was not exempt from work requirements and who was not in training,

(See other side)

YEAS (46)			NAYS (53)			NOT VOTING (1)	
Republicans	Democrats (46 or 100%)		Republicans (53 or 100%)		Democrats (0 or 0%)	Republicans	Democrats (1)
(0 or 0%)						(0)	
	Akaka Baucus Biden Bingaman Boxer Breaux Bryan Bumpers Byrd Conrad Daschle Dodd Dorgan Exon Feingold Feinstein Ford Glenn Graham Harkin Heflin Hollings Inouye	Johnston Kennedy Kerrey Kerry Kohl Lautenberg Leahy Levin Lieberman Mikulski Moseley-Braun Moynihan Murray Nunn Pell Pryor Reid Robb Rockefeller Sarbanes Simon Wellstone Wyden	Abraham Ashcroft Bennett Bond Brown Burns Campbell Chafee Coats Cochran Cohen Coverdell Craig D'Amato DeWine Domenici Faircloth Frahm Frist Gorton Gramm Grams Grams Grassley Gregg Hatch Hatfield	Helms Hutchison Inhofe Jeffords Kassebaum Kempthorne Kyl Lott Lugar Mack McCain McConnell Murkowski Nickles Pressler Roth Santorum Shelby Simpson Smith Snowe Specter Stevens Thomas Thompson Thurmond Warner		EXPLANAT 1—Official 1 2—Necessar 3—Illness 4—Other SYMBOLS: AY—Annot AN—Annot PY—Paired PN—Paired	nily Absent Inced Yea Inced Nay Yea

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in school, or working at least 20 hours per week would have to participate in community service, at hours and tasks to be determined by each State; no minimum requirements would be imposed; and

• by 2002, a State would be required to have a "work performance rate" of 50 percent, under which at least 50 percent of welfare recipients and people who had been on welfare within the last year: would be employed and off welfare, would be working at least 20 hours a week at a subsidized job, or, if they were minor parents, would be going to school or obtaining job skills; welfare recipients with children under the age of 1 would not be counted as part of the total welfare population when determining work performance rates, though if they were working they would be counted; States would be required to give workfare service jobs to welfare recipients who were not working within 2 years of signing an empowerment contract.

Those favoring the amendment contended:

The Daschle amendment is a fair, compromise amendment. The Republicans have made some modifications to their welfare reform proposal that have improved it; we have therefore decided to make compromises to our basic welfare reform proposal. The Daschle amendment has three goals: to move people off of welfare by finding them good jobs; to make sure that children are protected; and to save money. The first goal would be met by turning welfare offices into employment offices that would provide training and job-search help to welfare recipients to make sure they got the good jobs that they deserved. Second, it would protect children by increasing funding for child care, by requiring the States to provide child care if necessary, and by requiring the States to make sure that vouchers were given to meet the needs of children whose parents had been kicked off of welfare. On the issue of savings, the Congressional Budget Office has told us that this amendment would save \$51 billion over 6 years. The two bills are not really that far apart. Democrats and Republicans are very close to reaching a fair, compromise agreement. We think the Daschle amendment offers a better compromise, and we urge Senators to accept it.

Those opposing the amendment contended:

In a few minutes the Senate will vote on this 800-page amendment which has just been offered. Those of us on the Republican side of the aisle were not given advance copies of it, nor advised of its contents, nor in any way asked our view. This path is exactly the opposite path that would be chosen by anyone who had a substitute amendment that they wanted to be taken seriously. Obviously, no attempt has been made to have Republicans consider this amendment as a real alternative. After the Senate has worked on the issue of welfare reform for the past year and a half, with lengthy hearings, dozens of votes, and numerous compromises between the parties, and after that process has resulted in the bipartisan bill that is before us, we are supposedly being asked to throw all that work out the window in favor of an 800-page bill that we have never even seen before. Democrats who oppose welfare reform will be able to use the Daschle amendment as a political cover vote--they will be able to point to the vote on this amendment, which they know will not pass, and say that they favored "good" welfare reform, not "bad" welfare reform as contained in this bill. We do not see any other use for this amendment.

Though we have not had the time to study this amendment in detail, a quick perusal shows that it suffers from many of the same defects that plagued earlier so-called reform bills offered by Democrats. For instance, on its surface, it looks as though it would require States to have 50 percent of their welfare caseloads working by the year 2002. However, once the exemptions and odd quirks of the Daschle amendment's formula are worked in, one finds that the Daschle amendment would only have a 25 percent to 30 percent workload requirement. Another problem is that it would create a new entitlement for child care. We should not end the welfare entitlement for cash by creating a new entitlement for child care. Numerous loopholes from seemingly strict requirements also riddle the amendment. For instance, recipients who did not live up to their welfare contracts would have to be sanctioned, and tough sanctions are listed, but States would be allowed to ignore those sanctions and apply any penalty they wished.

A quick scan of this amendment revealed these troubling problems. If we considered it for a greater period of time, we suspect that we would find a lot more objectionable features. However, we do not need to debate this amendment further. It was not offered with any expectation that it would be passed. We urge Senators to join us now in defeating the Daschle amendment.